GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:5961
ANSWERED ON:31.08.2001
TRADING IN SUGAR
IQBAL AHMED SARADGI

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether the Government have decided not to opt for complete demutualisation in futures trading of sugar;

(b) if so, whether the Government have also asked the applicants to have non-trading partners as at least one-third of the members on their Board;

(c) if so, the details thereof;

(d) whether the Government are considering to have the entire process change to pick momentum in sugar policy; and

(e) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI V. SREENIVASA PRASAD)

(a) to (e) : The Government, while recently permitting futures trading insugar have, decided to select only modern, well organized, professionally managed Exchanges that have `online` system of trading; efficient clearing, settlement and guarantee systems; transparency in operations and decision-making; reliable, effective and impartial management, preferably demutualised form of organization. Complete demutualisation is not one of the criteria laid down, while representation of non-trade interest in the management is stipulated for effective and impartial management. The Government is committed to the policy of decontrolling the sugar industry in a phased manner.